An aerial photograph of a city at dusk or dawn. The sky is a gradient of dark blue and grey. In the middle ground, a silhouette of a city skyline is visible against the lighter sky. The foreground shows a dark, textured landscape, possibly a forest or a field, with some lighter patches that could be snow or water.

# UNDERSTANDING CLASS

Erik Olin Wright

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# UNDERSTANDING CLASS



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For my brother, Woody Wright,  
and father-in-law, Robert L. Kahn,  
with love and admiration

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## PREFACE

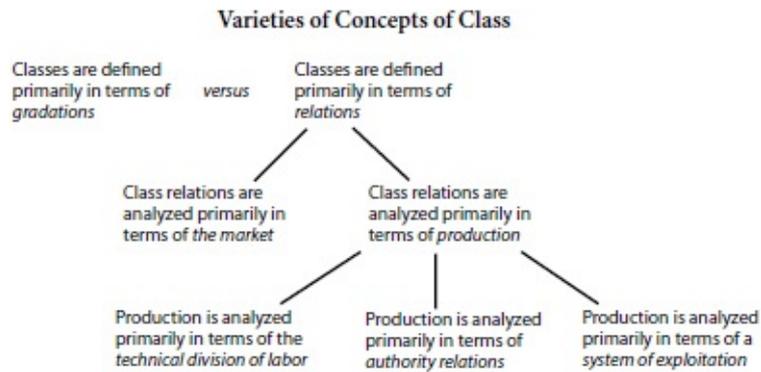
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The essays assembled in this book were written between 1995 and 2015. They involve three agendas: interrogating the approaches to class analysis of specific writers working in a variety of theoretical traditions; developing general frameworks of class analysis that can help integrate the insights of different theoretical traditions; and analyzing the problem of class conflict and class compromise in contemporary capitalism.

Most of the chapters in this book are concerned with the first of these agendas, exploring in detail theoretical issues in the work of a range of writers who specify the concept of class in different ways: Max Weber, Charles Tilly, Aage Sørensen, Michael Mann, David Grusky and Kim Weeden, Thomas Piketty, Jan Pakulski and Malcolm Waters, and Guy Standing. My own approach to class is firmly embedded in the Marxist tradition, while none of these writers adopts a Marxist approach and some are overtly hostile to Marxism. Often in encounters between Marxist and non-Marxist approaches to some problem the basic stance is one of combat, each side trying to defeat the arguments of the other. While there may be circumstances in intellectual debates where vanquishing an opponent is appropriate, in these essays my goal is to figure out what is most useful and interesting rather than mainly to point out what is wrong with a particular theorist's work. One might call this virtue-centered critique rather than flaw-centered critique. Of course, it is necessary to clarify gaps and silences in particular bodies of work, to illuminate salient differences between approaches, and sometimes to identify more serious theoretical flaws. But all of this is still in the service of clarifying and appropriating what is valuable rather than simply discrediting the ideas of rival approaches.

It is one thing to recognize that there are valuable insights to be appropriated from even hostile theoretical traditions; it is another to try to systematically integrate those insights into a broader framework. This is the second task of this book—proposing general strategies for integrating key ideas from Marxist and non-Marxist currents of class analysis. My approach to accomplishing this comes out of a longstanding preoccupation in my work with constructing conceptual typologies as a way of clarifying the theoretical differences between my arguments and those of others grappling with the same problems. For example, in my early empirical work on class structure I used a typology in the form of a branching diagram of alternative ways of defining class as a way of identifying the specificity of the Marxist concept.



Source: Erik Olin Wright, *Class Structure and Income Determination*, New York: Academic Press, 1979, p. 5.

My initial purpose in constructing this kind of typology was to draw clear lines of demarcation between alternative theories and concepts and then argue for the virtue of my preferred option. More recently, however, it has become clear to me that there is an alternative way of using such typologies. To the extent that a typology of theories identifies the distinct mechanisms that are the focus of different theories, it might be possible to integrate at least some of the different approaches to class into a more general framework of analysis organized around the interconnections among these different mechanisms. Rather than mainly see alternative approaches as competing with each other, perhaps they could potentially be seen as complementary.

My first effort at doing this was the edited book, *Approaches to Class Analysis* (Cambridge University Press, 2005). The book included essays by six sociologists working within different theoretical approaches to class analysis. Each contributor was instructed to write an essay elaborating the theoretical foundations of a particular approach to class analysis. The title of the concluding chapter posed the question “If Class Is the Answer, What Is the Question?” The basic idea was that different strands of class analysis were anchored in different kinds of questions, and this helped explain why the concept of class was defined in different ways. The last sentence of the book loosely evoked Marx’s famous passage about a society without class divisions in which it was possible to hunt in the morning, to fish in the afternoon, rear cattle in the evening, criticize after dinner: “One can be a Weberian for the study of class mobility, a Bourdieusian for the study of class determinants of lifestyles, and a Marxian for the critique of capitalism.”

The next logical step was to try to integrate the mechanisms connected to these different questions into a more comprehensive framework. Three chapters in this book try to do this in different ways. [Chapter 1](#), “From Grand Paradigm Battles to Pragmatist Realism,” originally published in 2009 in *New Left Review*, constructs an integrative model for class analysis by arguing that the different broad traditions of class analysis are anchored in three different clusters of causal mechanisms: stratification approaches to class define class in terms of individual attributes and conditions; Weberian approaches define class in terms of a variety of mechanisms of opportunity hoarding; and Marxist approaches define class in terms of mechanisms of exploitation and domination. Each of these causal mechanisms plays a key role in particular streams of causal processes. The task of the essay was to clarify these focal mechanisms and then try to integrate them into a broader explanatory model of class

analysis. The key device of this integration was a series of diagrams connecting the micro-level of class effects tied to attributes of individuals with the more macro-level effects generated by the nature of structural positions within the market and production.

In the initial plan for this book, [chapter 1](#) was to be the only chapter in which a general framework of analysis was presented. As it turned out, a second, complementary way of integrating different traditions of class analysis emerged as I worked on one of the new essays for the book, the discussion in [chapter 6](#) of David Grusky and Kim Weeden's work on "micro-classes." Their analysis posed a particular challenge for me. While I admired the rigorous empirical work in the series of papers written by these two American sociologists, my basic reaction was that their research had very little to do with *class* analysis. The core idea of their work is that if class is identified as causally significant positions within the system of production, then class should be defined as fine-grained occupational categories. These are the categories, they argue, that are salient to people's lives as participants in an economic structure. They refer to these as "micro-classes" in contrast to the "big classes" of the Marxist and Weberian traditions. This means that in a country like the United States there are hundreds, perhaps thousands, of distinct classes.

My initial reaction to Grusky and Weeden's arguments was to simply say that they involved a misuse of the word "class." This suggested writing a kind of methodological chapter on the problem of words and concepts, but that seemed out of place with the basic strategy of the book, which was to find what was most useful in a variety of approaches. I then tried to connect the Grusky-Weeden concept of micro-class to the framework elaborated in [chapter 1](#), but it just did not fit and my efforts at trying to make it fit seemed contrived. This again led me to consider arguing that what Grusky and Weeden were doing was not any variety of class analysis, in spite of the terms they used. If I removed their work from the domain of class analysis, I would not have to worry about the fact that it did not fit into my effort at a general synthesis. This suggested dropping the idea of the chapter altogether.

After several weeks of working on the chapter without making any real headway, a solution came to me unexpectedly when I recalled the analytical framework for the analysis of the state and power by Robert Alford and Roger Friedland in their book *The Powers of Theory: Capitalism, the State, and Democracy* (Cambridge University Press, 1985). In that book, Alford and Friedland use the metaphor of a game to distinguish three levels of power and conflict: at the *systemic* level of power, conflict is over what game to play (capitalism versus socialism); at the *institutional* level of power, conflict is over the rules of the game (over what kind of capitalism); and at the *situational* level of power, conflict is over the moves in the game (how to best realize interests under fixed rules). What occurred to me was that different approaches to class analysis could be seen as anchoring the definition of class in terms of one or another of these levels of power and conflict: Marxist class concepts are defined at the systemic level of the game; Weberian class categories are defined at the institutional level of the rules of the game; and the Grusky-Weeden model of micro-classes defines class exclusively at the situational level of moves within fixed rules in a single game. I examine this game metaphor in detail in [chapter 6](#), so I won't sketch the argument

now; the important point here is that this insight unlocked the chapter for me. As a result, [chapter 6](#) contains an extended discussion of a second general strategy for connecting different traditions of class analysis within a broader framework.

One other chapter contains an integrative framework for connecting different approaches to class analysis. The chapter on Michael Mann's approach to class is built around a three-fold distinction in clusters of concepts used in class analysis: class relations, class location, and class structure; class structuration and class formation; and collective class actors. The first of these concerns the structural positions filled by individuals; the second concerns the nature of social relations within classes rooted in communities and social networks; the third focuses on class-based organizations engaged in struggles. Some theorists, like Michael Mann, insist that class is only meaningful when it exists as a collective actor, while others focus almost exclusively on the structural meaning of class, and some consider the dense interactions of class formation as the necessary condition for a social category to be a class. I argue that a fully developed class analysis investigates the interconnections among all three of these clusters.

The third general agenda of the book shifts attention from the problem of the diverse meanings of the concept of class and how these meanings can be brought into alignment to the problem of how to understand the macro-problem of configurations of class struggle and balances of power in contemporary capitalism. All three of the chapters that engage this problem take the basic parameters of Marxist class analysis as given and then propose a way of understanding the effects of the institutional conditions and balance of power of contemporary capitalism on patterns of class struggle and class compromise. In terms of the general model proposed in [chapter 6](#), the analysis in these chapters defines class in the traditional Marxist way at the systemic level of the game itself and then, using this definition, explores the problem of different configurations of class struggle at the level of the rules of the game and moves in the game. The chapters thus show how the Marxist concept of class, while specified at the systemic level of power and conflict, can be deployed in explanatory models at the other levels.

*Erik Olin Wright  
Madison, Wisconsin  
February 2015*

## **FROM GRAND PARADIGM BATTLES TO PRAGMATIST REALISM: TOWARDS AN INTEGRATED CLASS ANALYSIS**

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When I began writing about class in the mid-1970s, I saw Marxism as a comprehensive paradigm confronting positivist social science.<sup>1</sup> I argued that Marxism had distinctive epistemological premises and distinctive methodological approaches that were fundamentally opposed to the prevailing practices of mainstream social science. While I argued that this battle should be engaged on empirical as well as theoretical terrain, I viewed Marxism and mainstream sociology as foundationally distinct and incommensurable warring paradigms. Looking back in the mid-1980s at this earlier work, I wrote: “I originally had visions of glorious paradigm battles, with lances drawn and the valiant Marxist knight unseating the bourgeois rival in a dramatic quantitative joust. What is more, the fantasy saw the vanquished admitting defeat and changing horses as a result.”<sup>2</sup>

Nearly four decades have passed since this early work on class. In the intervening period I have rethought the underlying logic of my approach to class analysis a number of times.<sup>3</sup> While I continue to work within the Marxist tradition, I no longer feel that the most useful way of thinking about Marxism is as a comprehensive paradigm that is incommensurate with “bourgeois” sociology.<sup>4</sup> Rather, I see different theoretical traditions as identifying different kinds of causal processes or mechanisms, which they claim have explanatory power for particular agendas. These different traditions have scientific value to the extent that these claims are justified. The different mechanisms elaborated by different theoretical traditions intersect and interact in the world, generating the things we observe. The Marxist tradition is a valuable and interesting body of ideas because it successfully identifies real mechanisms that matter for a wide range of important problems, but it does not constitute a fullblown “paradigm” capable of comprehensively explaining all things social or subsuming all social mechanisms under a unified framework. It also does not have a monopoly on the capacity to identify real mechanisms, and thus in practice sociological research by Marxists should combine distinctive Marxist-identified mechanisms with whatever other causal processes seem pertinent to the tasks at hand. What might be called “pragmatist realism” has replaced the Grand Battle of Paradigms.

Pragmatist realism does not imply simply dissolving Marxism into some amorphous “sociology” or social science. Marxism remains distinctive in organizing

its agenda around a set of fundamental questions and problems which other theoretical traditions either ignore or marginalize. It is distinctive in its normative commitments to class emancipation. And it is distinctive in identifying a specific set of interconnected causal processes relevant to those questions and emancipatory ideals. These elements constitute the anchors for a distinctive intellectual tradition of emancipatory social science, but they are not the basis for an exclusionary paradigm.<sup>5</sup>

In this chapter I explore some of the implications of this pragmatist realism for class analysis. In my theoretical work in the late 1970s and early 1980s, I argued for the general superiority of the Marxist concept of class over its main sociological rivals—especially Weberian concepts of class and class within mainstream stratification research. It now seems to me more appropriate to see these different ways of talking about class as each identifying different clusters of causal processes at work in shaping the micro and macro aspects of economically rooted inequality in capitalist societies. For some questions and problems, one or another of these clusters of mechanisms may be more important, but all are relevant to a full sociological understanding of economic inequality and its consequences. Each of these approaches to class analysis is incomplete if it ignores the others. I continue to feel that Marxist class analysis is superior to the other traditions for a range of questions that I feel are of central importance, especially questions about the nature of capitalism, its harms and contradictions, and the possibilities of its transformation. But even for these core Marxist questions, the other traditions of class analysis have something to offer.

For simplicity in this discussion, I focus on three clusters of class-relevant causal processes, each associated with different strands of sociological theory and approaches to class analysis. The first identifies class with the attributes and material conditions of the lives of individuals. The second focuses on the ways in which social positions give some people control over economic resources of various sorts while excluding others from access to those resources. And the third identifies class, above all, with the ways in which economic positions give some people control over the lives and activities of others. I call these three approaches the *individual-attributes* approach to class, the *opportunity-hoarding* approach, and the *domination and exploitation* approach. The first is associated with the stratification tradition, the second with the Weberian tradition, and the third with the Marxist tradition.<sup>6</sup>

#### CLASS AS INDIVIDUAL ATTRIBUTES

Among both sociologists and the lay public, the principal way that most people understand the concept of class is in terms of individual attributes and life conditions. People have all sorts of attributes, including sex, age, race, religion, intelligence, education, geographical location, and so on. Some of these attributes they have from birth, some they acquire but once acquired are very stable, and some are quite dependent on a person's specific social situation at any point in time and may accordingly change. These attributes are consequential for various things we might want to explain, from health to voting behavior to childrearing practices. People can also be characterized by the material conditions in which they live: squalid apartments, pleasant houses in the suburbs, or mansions in gated communities; dire poverty, adequate income, or extravagant wealth; insecure access to health services or excellent

health insurance and access to high-quality services. “Class,” then, is a way of talking about the connection between individual attributes and these material life conditions: class identifies those economically important attributes of people that shape their opportunities and choices in a market economy and thus their material conditions of life. Class should neither be identified simply with the individual attributes nor with the material conditions of life of people, but with the interconnections between these two.

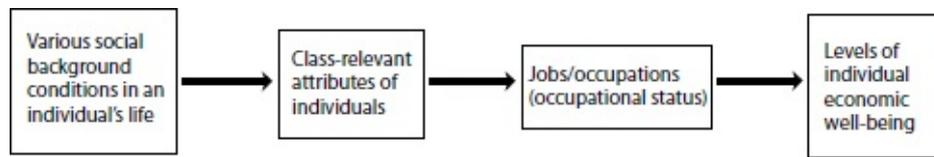
The key individual attribute that is part of class in economically developed societies within this approach is education, but some sociologists also include somewhat more elusive attributes such as cultural resources, social connections, and even individual motivations.<sup>7</sup> All of these deeply shape the opportunities people face and thus the income they can acquire in the market, the kind of housing they can expect to have, the quality of the health care they are likely to get, and much more.

When these different attributes of individuals and material conditions of life broadly cluster together, these clusters are called “classes.” The “middle class,” within this approach to the study of class, identifies people who are more or less in the broad middle of the economy and society: they have enough education and money to participate fully in some vaguely defined “mainstream” way of life. “Upper class” identifies people whose wealth, high income, social connections, and valuable talents enable them to live their lives apart from “ordinary” people. The “lower class” identifies people who lack the necessary educational and cultural resources to live securely above the poverty line. And finally, the “underclass” identifies people who live in extreme poverty, marginalized from the mainstream of American society by a lack of basic education and skills needed for stable employment.

While most research within the individual-attributes approach discusses class using loose gradational terms like upper, middle and lower class, there are some currents that attempt to specify an array of more qualitatively distinguished categories. A good example is the work of Mike Savage and his colleagues in their analysis of what has come to be known as the “Great British Class Survey.”<sup>8</sup> Along the lines of the work of Pierre Bourdieu, they define the abstract concept of class in terms of three dimensions of economically relevant resources which individuals possess: economic capital, cultural capital, and social capital. They then ask the empirical question: how many classes can be empirically distinguished based on the ways in which indicators of these three dimensions of individual attributes cluster together? Their answer, using fairly sophisticated inductive statistical strategies, is that there are seven classes in Britain today: elite; established middle class; technical middle class; new affluent workers; traditional working class; emergent service workers; and precariat.

In the individual-attributes approach to class, the central concern of sociologists has been to understand how people acquire the attributes that place them in one class or another. For most people in the countries where sociologists live, economic status and rewards are mainly acquired through employment in paid jobs, so the central thrust of much research in this tradition is on the process by which people acquire the cultural, motivational, and educational resources that affect their occupations in the labor market. Because the conditions of life in childhood are clearly of considerable importance in these processes, this tradition of class analysis devotes a great deal of

attention to what is sometimes called “class back-ground”—the class character of the family settings in which these key attributes are acquired. The causal logic of these kinds of class processes is illustrated in a stripped-down form in [Figure 1.1](#).

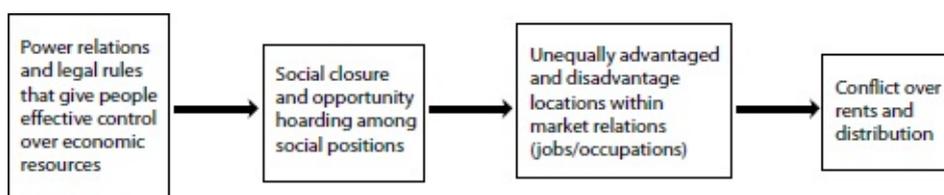


**Figure 1.1. The Individual-Attributes Approach to Class and Inequality**

Skills, education, and motivations are, of course, very important determinants of an individual’s economic prospects. What is missing in this approach to class, however, is any serious consideration of the *inequalities in the positions themselves* that people occupy. Education shapes the kinds of jobs people get, but how should we conceptualize the nature of the jobs that people fill by virtue of their education? Why are some jobs “better” than others? Why do some jobs confer on their incumbents a great deal of power while others do not? Rather than focusing exclusively on the process by which individuals are sorted into positions, the other two approaches to class analysis begin by analyzing the nature of the positions themselves into which people are sorted.

#### CLASS AS OPPORTUNITY HOARDING

The problem of “opportunity hoarding” is closely associated with the work of Max Weber.<sup>9</sup> The idea is that if a job is to confer on its occupants high income and special advantages it is important that the incumbents of those jobs have various means of excluding other people from access to the jobs. This is also sometimes referred to as a process of *social closure*, the process whereby access to a position becomes reserved for some people and closed off to others. One way of achieving social closure is by creating requirements for filling the job that are very costly for people to meet. Educational credentials often have this character: high levels of education generate high income in part because of significant restrictions on the supply of highly educated people. Admissions procedures, tuition costs, risk aversion to large loans by low-income people, and a range of other factors all block access to higher education for many people, and these barriers benefit those in jobs that require higher education. If a massive effort was made to improve the educational level of those with less education, this program would itself lower the value of education for those who already have it, since its value depends to a significant extent on its scarcity. The opportunity-hoarding mechanism is illustrated in [Figure 1.2](#).



**Figure 1.2. The Opportunity-Hoarding Approach to Class and Inequality**

Some might object to this description of educational credentials by arguing that education also affects earnings by enhancing a person's productivity. Economists argue that education creates "human capital," which makes people more productive, and this higher productivity makes employers willing to pay them higher wages. While some of the higher earnings that accompany higher education reflect productivity differences, this is only part of the story. Equally important are the ways in which the process of acquiring education excludes people through various mechanisms and thus restricts the supply of people available to take these jobs. A simple thought experiment shows how this works: imagine that the United States had open borders and let anyone with a medical degree or engineering degree or computer science degree anywhere in the world come to the United States and practice their profession. The massive increase in the supply of people with these credentials would undermine the earning capacity of holders of the credentials even though their actual knowledge and skills, and thus their productivity, would not be diminished. Citizenship rights are a special, and potent, form of "license" to sell one's labor in a labor market.

Credentialing and licensing are particularly important mechanisms for opportunity hoarding, but many other institutional devices have been used in various times and places to restrict access to given types of jobs: color bars excluded racial minorities from many jobs in the United States, especially (but not only) in the South until the 1960s; marriage bars and gender exclusions restricted access to certain jobs for women until well into the twentieth century in most developed capitalist countries; religion, cultural style, manners, accent—all of these have constituted mechanisms of exclusion.

Perhaps the most important exclusionary mechanism that protects the privileges and advantages of people in certain jobs in a capitalist society is private property rights in the means of production. Private property rights are the pivotal form of exclusion that determines access to the "job" of capitalist employer. If workers were to attempt to take over a factory and run it themselves they would be violating this process of closure by challenging their exclusion from control over the means of production. The capacity of owners to acquire profits depends upon their defense of this exclusion, which we call "property rights." The core class division within both Weberian and Marxian traditions of sociology between capitalists and workers can therefore be understood as reflecting a specific form of opportunity hoarding enforced by the legal rules of property rights.

Exclusionary mechanisms that shape class structures within the opportunity-hoarding approach do not operate only in the most privileged parts of the class structure. Labor unions can also function as an exclusionary mechanism by protecting the incumbents of jobs from competition by outsiders. This does not mean that on balance unions contribute to increasing inequality, since they may also act politically to reduce inequalities and they may effectively reduce inequalities generated by other mechanisms of exclusion, especially mechanisms connected to private ownership of the means of production. Still, to the extent that unions create barriers to entry to certain jobs, they do create a form of social closure that improves the material conditions of life of their members.

Sociologists who adopt the opportunity-hoarding approach to class generally identify three broad class categories in American society: capitalists, defined by private property rights in the ownership of means of production; the middle class, defined by mechanisms of exclusion over the acquisition of education and skills; and the working class, defined by their exclusion from both higher educational credentials and capital. That segment of the working class that is protected by unions is either seen as a privileged stratum within the working class, or, sometimes, as a component of the middle class.

The critical difference between the opportunity-hoarding mechanisms of class and the individual attribute mechanisms is this: opportunity hoarding means that the economic advantages people get from being in a privileged class position are *causally connected* to the disadvantages of people excluded from those class positions. In the case of the mechanisms connected to individual attributes, advantages and disadvantages are independent of each other, generated by processes attached to individuals. To state this in a simple way, in the case of opportunity-hoarding mechanisms, the rich are rich in part *because* the poor are poor; the rich do things to secure their wealth that contribute to the disadvantages poor people face in the world. In the case of simple individual attributes, the rich are rich because they have favorable attributes; the poor are poor because they lack these attributes; and there is no systematic causal connection between these facts. In this view, eliminating poverty by improving the relevant attributes of the poor—by improving their education, cultural level, and human capital—would in no way harm the affluent. Where opportunity-hoarding mechanisms are important, in contrast, eliminating poverty by removing the mechanisms of exclusion potentially undermines the advantages of the affluent within the existing system.

#### CLASS AS EXPLOITATION AND DOMINATION

Class as exploitation and domination is the most controversial way of thinking about class.<sup>10</sup> Most sociologists ignore this set of mechanisms when talking about class, and some explicitly deny their relevance. These mechanisms of class analysis are associated most strongly with the Marxist tradition of sociology, but some sociologists more influenced by Weber also include exploitation and domination in their conception of class.<sup>11</sup>

“Domination” and, especially, “exploitation” are contentious words in sociology because they generally imply a moral judgment rather than being simply a neutral description. Many sociologists try to avoid such terms because of this normative content.<sup>12</sup> I feel, however, that they are important and accurately identify certain key issues in understanding class. Both domination and exploitation refer to ways in which people control the lives of others. “Domination” refers to the ability to control the *activities* of others. “Exploitation” refers to the acquisition of economic benefits from the laboring activity of those who are dominated. All exploitation, therefore, implies some kind of domination, but not all domination involves exploitation. Prison guards, for example, dominate prisoners but do not necessarily exploit them.

In relations of exploitation and domination it is not the case that one group simply benefits by restricting access to certain kinds of resources or positions. In addition, the

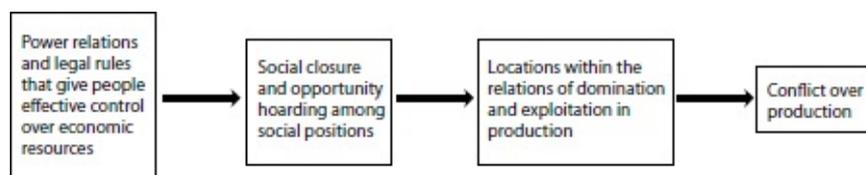
exploiting/dominating group is able to control the laboring effort of another for its own advantage. Consider the following classic contrasting cases: In the first case, large landowners seize control of common grazing lands, exclude peasants from access to this land, and reap economic advantages from their exclusive control of it for their own use. In the second case, the same landlords seize control of the grazing lands, exclude the peasants, but then bring some of those peasants back onto the land as agricultural laborers. In this second case, in addition to gaining advantage from controlling access to the land (opportunity hoarding) the landowner also dominates and exploits the labor of the farmworkers. This is a stronger form of relational interdependency than in the case of simple exclusion, for here there is an ongoing relationship between the *activities* of the advantaged and disadvantaged persons, not just a relationship between their *conditions*. Exploitation and domination are forms of structured inequality that require continual active cooperation between exploiters and exploited, dominators and dominated.

This contrast in the role of social relations within the three approaches to class analysis is summarized in [Table 1.1](#). The individual-attributes approach is the least relational, since neither the economic conditions in which people live nor their activities are understood as directly reflecting social relations. The opportunity-hoarding approach sees the economic conditions of people as formed through relations of exclusion, but it does not specify class as embodying relations among activities. The exploitation/domination approach includes both forms of relations.

| Approach to Class Analysis | Economic Conditions | Economic Activities |
|----------------------------|---------------------|---------------------|
| Individual attributes      | Nonrelational       | Nonrelational       |
| Opportunity hoarding       | Relational          | Nonrelational       |
| Domination/exploitation    | Relational          | Relational          |

**Table 1.1. The Role of Social Relations in Different Approaches to Class Analysis**

The domination and exploitation approach to class is represented in [Figure 1.3](#). Like the opportunity-hoarding approach, power and legal rules that enforce social closure are important in defining the basic structure of social positions, particularly the potent form of social closure and exclusion we call “private ownership of the means of production.” But here the critical effect of opportunity hoarding is domination and exploitation, not simply market advantage.



**Figure 1.3. The Exploitation and Domination Approach to Class and Inequality**

Within the domination/exploitation approach, the central class division in a capitalist society is between those who own and control the means of production in the economy—capitalists—and those who are hired to use those means of production—workers. Capitalists, within this framework, both exploit and dominate workers. Other

kinds of positions within the class structure get their specific character from their relationship to this basic division. Managers, for example, exercise many of the powers of domination but are also subordinate to capitalists. CEOs and top managers of corporations often develop significant ownership stakes in their corporations and therefore become more like capitalists. Highly educated professionals and some categories of technical workers have sufficient control over knowledge (a critical resource in contemporary economies) and skills that they can maintain considerable autonomy from domination within work and significantly reduce, or even neutralize, the extent to which they are exploited.<sup>13</sup>

In both the opportunity-hoarding and exploitation/domination approaches to class, power plays an important role. In both of these approaches, inequalities in income and wealth connected to the class structure are sustained by the exercise of power, not simply by the actions of individuals. The inequalities generated by opportunity hoarding require the use of power to enforce exclusions, and the inequalities connected to exploitation require supervision, monitoring of labor effort, and sanctions to enforce labor discipline. In both cases, social struggles that challenge these forms of power potentially threaten the privileges of people in the advantaged class positions.

#### INTEGRATING THE THREE CLUSTERS OF CLASS MECHANISMS

While sociologists have generally tended to base their research on one or another of these three approaches to class, there is no reason to see them as mutually exclusive. Instead, we can see the reality of class as being generated by the complex interactions of the different mechanisms identified within each approach. One way of combining the three approaches is to see each of them as identifying a key process that shapes a different aspect of the class structure:

1. The exploitation and domination mechanisms identify the fundamental class division connected to the capitalist character of the economy: the class division between capitalists and workers.
2. The opportunity-hoarding mechanisms identify the central mechanism that differentiates “middle class” jobs from the broader working class by creating barriers that in one way or another restrict the supply of people for desirable employment. The key issue here is not mainly *who* is excluded, but simply the fact that there are mechanisms of exclusion that sustain the privileges of those in middle class positions.
3. The individual attributes and life conditions mechanisms identify a key set of processes through which individuals are sorted into different positions in the class structure or marginalized from those positions altogether. Opportunity hoarding identifies exclusionary processes connected to middle class jobs. The individual attributes and life conditions approach helps specify what it is in the lives of people that explains who has access to those desirable middle class jobs and who is excluded from stable working class jobs.

These three processes operate in all capitalist societies. The differences in class

structures across countries are produced by the details of how these mechanisms work and interact. The theoretical task is to think through the different ways these mechanisms are linked and combined. The empirical task is to figure out ways to study each and their interconnections.

One possible nested micro-macro model is illustrated schematically in [Figure 1.5](#). In this model, the power relations and legal rules that give people effective control over economic resources (means of production, financial capital, and human capital) generate structures of social closure and opportunity hoarding connected to social positions. Opportunity hoarding, then, generates three streams of causal effects:

1. It shapes the micro-level processes through which individuals acquire class-relevant attributes.
2. It shapes the structure of locations within market relations (occupations and jobs) and the associated distributional conflicts.
3. It shapes the structure of relations within production, especially relations of domination and exploitation, and the associated conflicts within production.

The first of these causal streams, in turn, shapes the flows of people into class locations within the market and production. Jointly, the class attributes of individuals and their class locations (defined within the market and production) affect their levels of individual economic well-being.

One final element in the broad synthetic model is needed. [Figure 1.4](#) treats power relations and legal rules as exogenous structures, whereas in fact these basic power relations are themselves shaped by class processes and class conflicts. This matters because structures of inequality are dynamic systems, and the fate of individuals within the system depends not just on the micro-level processes they encounter in their lives, or on the social structures within which those lives take place, but on the trajectory of the system as a whole within which those micro-processes occur. Treating the underlying power relations that support a given structure of class locations as fixed parameters is deeply misleading and contributes to the incorrect view that the fate of individuals is simply a function of their attributes and individual circumstances. What we need, therefore, is a recursive dynamic macro model in which the struggles generated by social relations contribute to the trajectory of change of the relations themselves. This suggests the macro model as pictured in a highly simplified form in [Figure 1.5](#). A fully elaborated class analysis, then, combines this kind of dynamic macro model of conflict and transformation with the macro-micro multilevel model of class processes and individual lives. In such a model the key insights of stratification approaches, Weberian approaches, and Marxist approaches are combined.

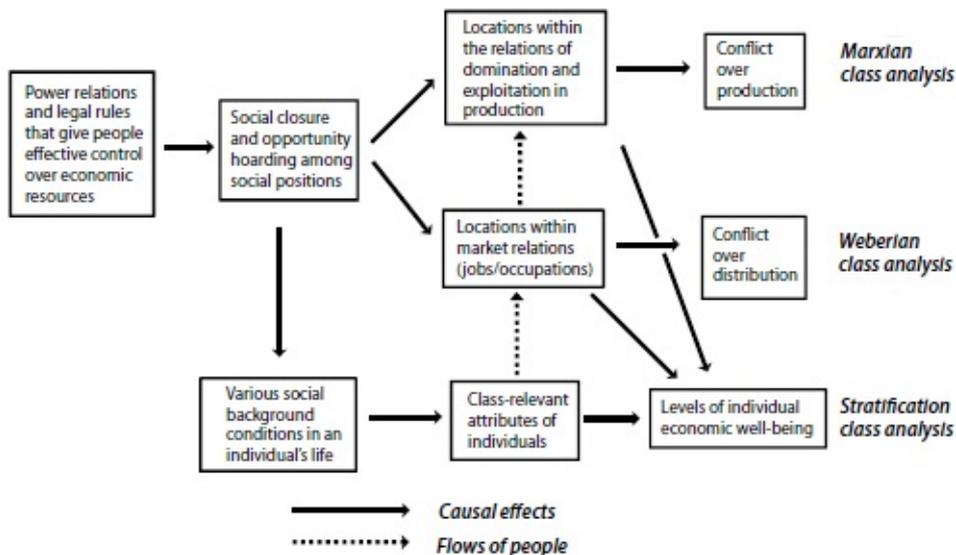


Figure 1.4. Combined Class Analysis: Macro and Micro Processes

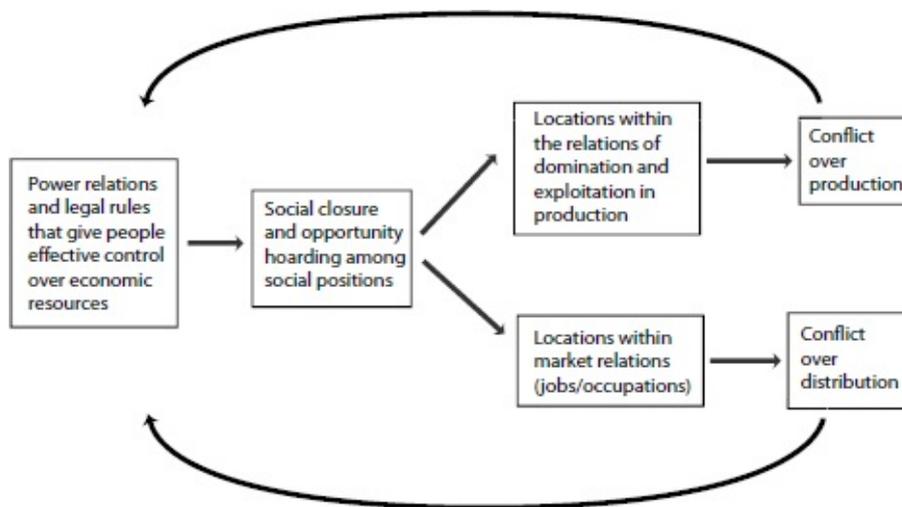


Figure 1.5. Dynamic Macro-Micro Model

THE AMERICAN CLASS STRUCTURE IN THE TWENTY-FIRST CENTURY WITHIN AN INTEGRATED CLASS ANALYSIS

Economic systems differ in how unfettered are the rights and powers that accompany private ownership of the means of production, and thus in the nature of the class division between capitalists and workers. The United States has long been characterized as a capitalist economy with weak public regulation of capitalist property. This is reflected in a number of critical facts about the United States: a very low minimum wage, which allows higher rates of exploitation than would otherwise exist; low taxation of high incomes, which allows the wealthiest segments of the capitalist class to live in extraordinarily extravagant ways; weak unions and other forms of worker organization that could act as a counterweight to domination within production. The result is that among developed capitalist countries the United States probably has the most polarized class division along the axis of exploitation and domination among the developed capitalist countries.

In terms of the formation of a middle class through mechanisms of opportunity